

November 23, 2004

VIA OVERNIGHT DELIVERY

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station, 2nd Floor
Boston, MA 02110

Re:

Fitchburg Gas and Electric Light Company d/b/a Unitil: Request for Approval of its Annual Electric Reconciliation Mechanism and Inflation Adjustment Filing, D.T.E. 04-108

Dear Ms. Cottrell:

Enclosed are an original and nine (9) copies of the following tariffs for the Fitchburg Gas and Electric Light Company d/b/a Unitil ("Unitil") electric division:

M.D.T.E. No. 115, Sheets 1 & 2, Canceling M.D.T.E. No. 104 M.D.T.E. No. 116, Sheets 1 through 3, Canceling M.D.T.E. No. 105 M.D.T.E. No. 117, Sheets 1 through 7, Canceling M.D.T.E. No. 106 M.D.T.E. No. 118, Sheets 1 through 6, Canceling M.D.T.E. No. 107

The tariffs are proposed for effect on and after January 1, 2005. Also enclosed is a check in the amount of \$400.00 for the four (4) tariff filing fee.

In support and explanation for these tariffs, I enclose the annual Electric Reconciliation Mechanism and Inflation Adjustment filing for Unitil. It includes a copy of the Transmittal Letter and Letter of Explanation addressed to Kevin Brannelly, Director, Rates and Revenue Requirements, a summary table of the proposed rate changes and impacts, as well as the Testimony and Schedules of Karen M. Asbury, Robyn A. Tafoya and Douglas J. Debski. Also attached is Unitil's Restructuring Plan in accordance with the Department's filing requirements.

Included with this filing is a Motion Pro Hac Vice and accompanying affidavit on my behalf.

Please do not hesitate to telephone me with any questions.

Very truly yours

Senior Regulatory Counsel

Enclosures

Gary Epler Senior Regulatory Counsel

6 Liberty Lane West Hampton, NH 03842-1720

Phone: 603-773-6440 Fax: 603-773-6640 Email: epler@unitil.com cc: Kevin Brannelly, Director, Rates and Revenue Requirements, MDTE

Andrew O. Kaplan, General Counsel, MDTE Joseph Rogers, Assistant Attorney General

Robert Sydney, General Counsel, Division of Energy Resources David McKeehan, President, North Central Chamber of Commerce



November 23, 2004

VIA OVERNIGHT DELIVERY

Kevin Brannelly, Rates and Revenue Requirements Department of Telecommunications and Energy One South Station, 2nd Floor Boston, MA 02110

Re:

Fitchburg Gas and Electric Light Company d/b/a Unitil Request for Approval of its Annual Electric Reconciliation Mechanism and Inflation Adjustment Filing, D.T.E. 04-108

Dear Mr. Brannelly:

Part I: Transmittal Letter

Pursuant to 220 CMR 5.03(1)(a), enclosed are two copies of the following proposed tariffs for the Fitchburg Gas and Electric Light Company d/b/a Unitil ("Unitil") electric division:

M.D.T.E. No. 115, Sheets 1 & 2, Canceling M.D.T.E. No. 104 M.D.T.E. No. 116, Sheets 1 through 3, Canceling M.D.T.E. No. 105 M.D.T.E. No. 117, Sheets 1 through 7, Canceling M.D.T.E. No. 106 M.D.T.E. No. 118, Sheets 1 through 6, Canceling M.D.T.E. No. 107

The tariffs are proposed for effect on and after January 1, 2005 and are filed this date with the Secretary of the Department of Telecommunications and Energy ("Department"). These tariff pages incorporate changes to the Transition Charge as discussed in the filing.

The rates that result from these tariff changes, along with the rate changes discussed below for effect January 1, 2005, increase the bill of a residential Standard Offer Service customer using 500 kWh per month by 4.6 percent. A Default Service customer using 500 kWh per month will see a bill increase of 2.0 percent. A summary table of the proposed rate changes and impacts is attached. Unitil requests that the proposed rates be approved as filed with the exception of the Standard Offer Service Fuel Adjustment ("SOSFA"). As described in the filing, Unitil plans to update its SOSFA with actual November 2004 data. An estimated SOSFA has been included herein so that bill impacts could be reasonably estimated.

In support and explanation for these tariffs, the filing includes the prefiled direct Testimonies of Karen M. Asbury, Robyn A. Tafoya and Douglas J. Debski.

Part II: Letter of Explanation

As described in detail in the testimonies and supporting schedules, Unitil's filing is designed to implement Unitil's 2005 adjustable electric rate mechanisms. Unitil is proposing estimated changes to its Standard Offer Service Fuel Adjustment as well.

Unitil's Transition Charge is reconciled in this filing in accordance with the Transition Cost Adjustment ("TCA"), Schedule TCA, M.D.T.E. No. 98.
 Unitil has calculated the Uniform Transition Charge ("UTC") to be \$0.01049 per kWh. The reconciliation indicates an under-collection of \$21,571,339 at December 31, 2004. However, consistent with maintaining the rate cap required by statute, Unitil is not seeking at this time to recover the under-collection accrued, but has instead set the TCA effective January 1, 2005

Gary Epler Senior Regulatory Counsel

6 Liberty Lane West Hampton, NH 03842-1720

Phone: 603-773-6440 Fax: 603-773-6640 Email: epler@unitil.com at \$0.00000 per kWh. Unitil estimates an under-collection of \$26,629,286 at December 31, 2005.

- Unitil's Standard Offer Service Charge ("SOS") is reconciled in accordance with Schedule SOS, M.D.T.E. No. 99. Unitil's SOS reconciliation indicates an under-collection of \$2,572,663 at December 31, 2004. Again, however, because of the rate cap, Unitil cannot increase the SOS Charge above \$0.05100 per kWh, the rate for 2005 pursuant to Unitil's tariff. Unitil estimates an under-collection of \$2,643,074 at February 28, 2005 (the end of the SOS period).
- The Default Service Charge is reconciled in accordance with Schedule DS, M.D.T.E. No. 114. Unitil's reconciliation indicates an under-collection of \$1,987,648 at December 31, 2004. Unitil proposes a Default Service Adjustment of \$0.00000 per kWh, yielding an under-collection at year-end 2005 of \$2,612,330.
- The Internal Transmission Charge is reconciled with the Internal Transmission Service Cost Adjustment ("ITSCA"), Schedule ITSCA, M.D.T.E. No. 34. The reconciliation indicates an under-collection of \$113,351 at December 31, 2004. Combining this under-collection with the estimated costs for the year 2005 yields an ITSCA of \$0.00099 per kWh effective January 1, 2005. Implementation of this charge is expected to reconcile costs fully at year-end 2005.
- The External Transmission Charge ("ETC") is proposed to be reset in accordance with Schedule ETC, M.D.T.E. No. 97. The reconciliation indicates an under-collection of \$275,596 at December 31, 2004.
 Combining this under-collection with the estimated costs for the year 2005 yields a new ETC of \$0.00406 per kWh effective January 1, 2005.
 Implementation of this charge is expected to reconcile costs fully at yearend 2005.
- The Standard Offer Service Fuel Adjustment ("SOSFA") is calculated in accordance with the historical fuel index. Including Unitil's year end 2000 SOSFA balance of \$2,622,479 accumulated between April and December 2000 that was transferred to its SOS balance, the reconciliation indicates an under-collection of \$1,365,860 at December 31, 2004. Unitil proposes an estimated SOSFA of \$0.01559 per kWh. Unitil estimates an under-collection of \$1,528,532 at February 28, 2005. Unitil plans to update these calculations in mid-December with actual data through November 2004.
- Unitil's Inflation Adjustment complies with the Department's December 17,
 1999 instructions related to its method of calculation.

Rate summaries and detailed bill impacts for the proposed rate changes are also included in the schedules of Douglas J. Debski. Unitil's Pension/PBOP adjustment factor, approved January 1, 2005 in D.T.E. 04-48, has been included in the rate summary.

The rate changes discussed above are proposed to become effective January 1, 2005. As indicated in the testimony of Karen M. Asbury, Unitil intends to follow-up with another filing in mid-December for rates effective March 1, 2005 in recognition of the end of the SOS period and lifting of the rate cap. The rates proposed herein set the framework for Unitil's March 1 plan. Specifically, Unitil's filing will address its plan for recovery of its deferred transition charge and SOS, SOSFA, and DS deferrals. Unitil's overall approach will be to mitigate rate impacts on its customers while balancing the need to eliminate deferrals.

Kevin Brannelly November 23, 2004 Page 3 of 3

Also included with this filing is a proposed bill message which is also being filed today with the Department's Consumer Division under separate cover.

Please do not hesitate to telephone me with any questions.

Senior Regulatory Counsel

Enclosures

THE COMMONWEALTH OF MASSACHUSETTS DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

Fitchburg Gas and Electric Light Company's Request For Approval of its Annual Electric Reconciliation Mechanism and Inflation Adjustment Filing

D.T.E. 04-108

MOTION FOR ADMISSION PRO HAC VICE

The undersigned counsel for Fitchburg Gas and Electric Light Company d/b/a Unitil ("Unitil), Gary Michael Epler, hereby moves for admission pro hac vice in the above captioned proceeding before the Massachusetts Department of Telecommunications and Energy ("Department"), pursuant to 220 CMR 1.02 and 801 CMR 1.01. In support of this motion, Mr. Epler states as follows:

- 1. Mr. Epler is employed as Senior Regulatory Counsel by Unitil Service Corp., 6 Liberty Lane West, Hampton, New Hampshire, 03842.
- 2. As shown in the attached affidavit, Mr. Epler is a member in good standing of the New Hampshire, New Jersey, New Mexico (in-active status) and New York bars and is currently admitted to practice before the New Hampshire, New Jersey, New Mexico and New York state courts, the federal district courts located in each of these states, as well as the federal 1st, 2nd, 3rd, 10th and District of Columbia Courts of Appeals. Mr. Epler is not currently and has never been suspended or disbarred in any jurisdiction and there are no disciplinary proceedings pending against him in any jurisdiction. He is familiar with the facts of this proceeding for which Unitil shall appear before the Department, and agrees to adhere to the Department's rules and orders, and applicable agreements between the parties.

WHEREFORE, Mr. Epler respectfully requests that the Department permit him to appear pro hac vice for the purpose of representing Unitil in this proceeding, and requests further that this motion be deemed to satisfy the requirement of 220 CMR 1.02(7) regarding the filing of an Appearance.

Dated: November 23, 2004

Respectfully submitted,

Gary Epler

Sr. Regulatory Counsel Unitil Service Corp 6 Liberty Lane West Hampton, NH 03842 (603) 773-6440

epler@unitil.com

Certificate

I certify that copies of this Motion Pro Hac Vice and accompanying affidavit have been served this 23rd day of November, via First Class U.S. Mail, upon the Massachusetts

Office of the Attorney General, the Massachusetts Division of Energy Resources and the North Central Massachusetts Chamber of Commerce.

Gary Epler

THE COMMONWEALTH OF MASSACHUSETTS DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

Fitchburg Gas and Electric Light Company's Request For Approval of its Annual Electric Reconciliation Mechanism and Inflation Adjustment Filing

D.T.E. 04-108

AFFIDAVIT

Gary Michael Epler, having been duly sworn, states under oath as follows:

- 1. I am over eighteen years of age; I am competent to provide this affidavit; and I have personal knowledge of the facts set forth below.
- 2. I am employed by Unitil Service Corp. ("USC") as Senior Regulatory Counsel.
- 3. USC is a corporation providing services to the subsidiaries of Unitil Corporation, a New Hampshire corporation and a registered holding company under the Public Utility Holding Company Act of 1935.
- 4. Fitchburg Gas and Electric Light Company d/b/a Unitil ("Unitil") is a wholly owned subsidiary of Unitil Corporation.
- 5. I am a member in good standing of the New Hampshire, New Jersey, New Mexico (in-active status) and New York bars and am currently admitted to practice before the New Hampshire, New Jersey, New Mexico and New York state courts, the federal district courts located in each of these states, as well as the federal 1st, 2nd, 3rd, 10th and District of Columbia Courts of Appeals.
- 6. I am not currently and have never been suspended or disbarred in any jurisdiction and there are no disciplinary proceedings pending against me in any jurisdiction.

applicable agreements between	reen the parties.
DATED this 2200 day of N	Gary Epler
STATE OF NEW HAMPSHIRE	Е)
) :ss
COUNTY OF ROCKINGHAM)
On this 22" day of Novense	ER, 2004, personally appeared before me Gary
	above instrument, who duly acknowledged to me that
he executed the same.	Notary Public
	Residing in OCKINGHAM County

7. I am familiar with the facts of this proceeding for which Unitil appears before the

Department and agrees to adhere to the Department's rules and orders, and

My Commission Expires:

CHAD R. DIXON, Notary Public My Commission Expires January 4, 2006



November 24, 2004

Ms. Karen Robinson
Director, Consumer Division
Massachusetts Department of Telecommunications and Energy
One South Station
Boston, MA 02110

RE: Bill Message for Unitil's proposed Electric Reconciliation

Filing effective January 1, 2005

Dear Ms. Robinson:

Enclosed for your review is a proposed bill message in connection with Unitil's annual electric reconciliation filing for the period January 1, 2005 through February 28, 2005, which is filed this day for approval by the Department's Electric Division.

If you have any questions, please call me at 603-773-6506.

Sincerely,

Donald P. Hudson

Senior Design Specialist

Unitil Service Corp.

Enclosure

Cc:

Joseph Rogers, Assistant Attorney General

Corporate Office

Liberty Lane West Jampton, NH 03842-1720

Phone: 603-772-0775 Fax: 603-773-6605

:mail: corp@unitil.com

(Proposed January 2005 Bill Messages)

Attn: Electric Customers

From Jan 1, 2005, to Feb 28, 2005, electric rates will increase by \$0.00297 per kWh, due to an increase in recoverable operating costs, limited by the annual inflation adjustment allowed under the Massachusetts Electric Restructuring Act.

Attn: Standard Offer Customers

For customers who are billed on Standard Offer Service, Energy Supply rates will see an additional increase of \$0.00336 per kWh as of January 1, 2005, due to an increase in wholesale electricity supply costs.

For rate classes G-2, G-3, G-4, G-5 and SD, only:

Attn: Electric Default Service Customers

Your Electric Default Service prices are updated every three months. The next change will occur on March 1, 2005, and we will notify you of the rate change in February.

Fitchburg Gas and Electric Light Company d/b/a Unitil November 24, 2004 Electric Reconciliation Mechanism and Inflation Adjustment Filing Proposed January 2005 Rates vs. Current Rates Typical 500 kWh Residential Electric Bill Impacts by Rate Component

Standard Offer Service Customers

	1/1/2004	1/1/2005	Current	Proposed		%
Rate Components	Current Rate	Proposed Rate	<u>Bill</u>	Bill	<u>Difference</u>	<u>Difference</u>
Customer Charge	\$3.02	\$3.02	62.02	¢2.02	00.02	0.000/
Customer Charge	\$3.02	Φ3.02	\$3.02	\$3.02	\$0.00	0.00%
	<u>\$/kWh</u>	<u>\$/kWh</u>				
Internal Transmission	\$0.00192	\$0.00192	\$0.96	\$0.96	\$0.00	0.00%
ITSCA	\$0.00044	\$0.00099	\$0.22	\$0.50	\$0.28	0.40%
External Transmission	\$0.00308	\$0.00406	\$1.54	\$2.03	\$0.49	0.71%
Distribution	\$0.04174	\$0.04174	\$20.87	\$20.87	\$0.00	0.00%
Pension/PBOP Adjustment Factor	\$0.00000	\$0.00077	\$0.00	\$0.39	\$0.39	0.56%
Seabrook Amortization Surcharge	\$0.00819	\$0.00819	\$4.10	\$4.10	\$0.00	0.00%
Energy Efficiency Charge	\$0.00250	\$0.00250	\$1.25	\$1.25	\$0.00	0.00%
Renewable Resources Charge	\$0.00050	\$0.00050	\$0.25	\$0.25	\$0.00	0.00%
Transition Charge	\$0.00982	\$0.01049	\$4.91	\$5.25	\$0.33	0.49%
Transition Cost Adjustment	\$0.00000	\$0.00000	\$0.00	\$0.00	\$0.00	0.00%
Default Service Adjustment	\$0.00000	\$0.00000	\$0.00	\$0.00	\$0.00	0.00%
Standard Offer Service	\$0.05100	\$0.05100	\$25.50	\$25.50	\$0.00	0.00%
Estimated SOS Fuel Adjustment	\$0.01223	\$0.01559	\$6.12	\$7.80	\$1.68	2.44%
SOSRRA	\$0.00000	\$0.00000	<u>\$0.00</u>	\$0.00	\$0.00	0.00%
Total	\$0.13142	\$0.13775	\$68.73	\$71.90	\$3.17	4.60%

Default Service Customers

	12/1/2004	1/1/2005	Current	Proposed		%
Rate Components	Current Rate	Proposed Rate	<u>Bill</u>	<u>Bill</u>	<u>Difference</u>	<u>Difference</u>
Customer Charge	\$3.02	\$3.02	\$3.02	\$3.02	\$0.00	0.00%
	<u>\$/kWh</u>	\$/kWh				
Internal Transmission	\$0.00192	\$0.00192	\$0.96	\$0.96	\$0.00	0.00%
ITSCA	\$0.00044	\$0.00099	\$0.22	\$0.50	\$0.28	0.37%
External Transmission	\$0.00308	\$0.00406	\$1.54	\$2.03	\$0.49	0.66%
Distribution	\$0.04174	\$0.04174	\$20.87	\$20.87	\$0.00	0.00%
Pension/PBOP Adjustment Factor	\$0.00000	\$0.00077	\$0.00	\$0.39	\$0.39	0.56%
Seabrook Amortization Surcharge	\$0.00819	\$0.00819	\$4.10	\$4.10	\$0.00	0.00%
Energy Efficiency Charge	\$0.00250	\$0.00250	\$1.25	\$1.25	\$0.00	0.00%
Renewable Resources Charge	\$0.00050	\$0.00050	\$0.25	\$0.25	\$0.00	0.00%
Transition Charge	\$0.00982	\$0.01049	\$4.91	\$5.25	\$0.33	0.45%
Transition Cost Adjustment	\$0.00000	\$0.00000	\$0.00	\$0.00	\$0.00	0.00%
Default Service Adjustment	\$0.00000	\$0.00000	\$0.00	\$0.00	\$0.00	0.00%
Default Service (Fixed)	\$0.07409	\$0.07409	\$37.05	\$37.05	\$0.00	0.00%
SOSRRA	\$0,00000	\$0.00000	\$0.00	\$0.00	\$0.00	0.00%
Total	\$0.14228	\$0.14525	\$74.16	\$75.65	\$1.49	2.00%

INDEX

TARIFF FOR ELECTRIC SERVICE

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Cancellation Supplement	MDTE 8	0	1
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Cancellation Supplement	MDPU 8	0	1
Cancellation Supplement	MDPU 8	3	1
Cancellation Supplement	MDPU 8	7	1

RESIDENTIAL DELIVERY SERVICE

SCHEDULE RD-1

<u>AVAILABILITY</u>

Service is available under this Schedule for all domestic purposes at individual private dwellings and in individual apartments and apartment or condominium buildings, and for churches and farms that received service under this rate prior to the effective date of this tariff page. Single Phase motors exceeding 5 horsepower will be allowed only upon approval by the Company in each instance. When service is delivered through one meter and used for both domestic and non-domestic purposes, billing shall be under this Schedule only if the predominant use of demand, determined by the Company on the basis of metered load data, connected loads, or consumption, is for domestic purposes. This Schedule is for delivery service only. Customers are required to obtain an energy supply from a Competitive Supplier or may be eligible for Standard Offer Service or Default Service from the Company pursuant to Schedules SOS or DS as amended from time to time.

This Schedule is not available for service furnished for commercial or business purposes including garages, motels, hotels, and boarding houses or residences in which three or more rooms are rented, or for any other non-residential purposes.

CHARACTER OF SERVICE

Electricity will normally be delivered at 120/240 volts using three wire, single phase service and limited to 200 Amps at 240 volts. In some areas service may be 120/208 volts.

DELIVERY SERVICE CHARGES - MONTHLY

@ \$3.02 per meter
•
@ 4.174 ¢ per kWh
- · · -
@ 1.049 ¢ per kWh
• • •
@ 0.192 ¢ per kWh

MINIMUM CHARGE

The minimum charge shall be the Customer Charge.

RESIDENTIAL DELIVERY SERVICE

SCHEDULE RD-1 (Continued)

ADJUSTMENTS

The Delivery Service Charges under this Schedule shall be adjusted from time to time to reflect the following:

Seabrook Amortization Surcharge - Schedule SAS, M.D.T.E. No. 32

Energy Efficiency Charge - Schedule EEC, M.D.T.E. No. 96

Internal Transmission Service Cost Adjustment - Schedule ITSCA, M.D.T.E. No. 34

External Transmission Charge - Schedule ETC, M.D.T.E. No. 97

Transition Cost Adjustment - Schedule TCA, M.D.T.E. No. 98

Renewable Resource Charge - Schedule RRC, M.D.T.E. No. 37

Default Service Adjustment - Schedule DSA, M.D.T.E. No. 101

Pension/PBOP Adjustment Factor - Schedule PAF, M.D.T.E. No. 112A

For billing purposes, the Seabrook Amortization Surcharge and the Pension/PBOP Adjustment Factor will be included in the Distribution Charge. The Internal Transmission Service Cost Adjustment and External Transmission Charge will be added to the Internal Transmission Charge and billed as the Transmission Charge. The Transition Cost Adjustment and the Default Service Adjustment will be included in the Transition Charge. The Energy Efficiency and Renewable Resource Charges will each be included as separate items on the bill.

PAYMENT

Bills are net and due upon presentation.

FARM CREDIT

Customers who qualify as persons or corporations engaged in the business of agriculture or farming, as defined pursuant to section 1A of Chapter 128 of the General Laws, shall receive a credit of ten percent from the otherwise applicable rates. The credit shall be based on full Delivery Service rates plus the Standard Offer Service or Default Service rate, if applicable. The credit will be recalculated as required to maintain the ten percent discount from these rates as in effect from time to time.

TERM OF CONTRACT

The term of contract under this Schedule shall be for an initial period of at least one year, and shall continue in effect thereafter until canceled by either party upon at least 30 days written notice.

TERMS AND CONDITIONS

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this Schedule.

LOW INCOME RESIDENTIAL DELIVERY SERVICE

SCHEDULE RD-2

AVAILABILITY

Service is available under this Schedule for all domestic purposes at individual private dwellings and in individual apartments. Single phase motors exceeding 5 horsepower will be allowed only upon approval by the Company in each instance. This Schedule is not available for an alternate or seasonal home and is not available for service furnished for commercial or business purposes. This Schedule is for delivery service only. Customers are required to obtain an energy supply from a Competitive Supplier or may be eligible for Standard Offer Service or Default Service from the Company pursuant to Schedules SOS or DS as amended from time to time. The Company shall guarantee payment to the generation supplier for all power sold to low-income customers at the discounted rates. The guaranteed payment shall be limited to the amount that the Company would have charged the Customer for Standard Offer Service.

Eligibility for this schedule shall be established upon verification of a low-income Customer's receipt of any means-tested public benefit, or verification of eligibility for the low-income home energy assistance program, or its successor program, for which eligibility does not exceed 175 percent of the federal poverty level based on a household's gross income. Said public benefits may include, but are not limited to, assistance which provides cash, housing, food, or medical care, including, but not limited to, transitional assistance for needy families, supplemental security income, emergency assistance to elders, disabled, and children, food stamps, public housing, federally-subsidized or state-subsidized housing, the low-income home energy assistance program, veteran's benefits, and similar benefits. Customers who qualify for this Schedule shall be required each year to certify their continuing compliance with the terms hereof.

CHARACTER OF SERVICE

Electricity will normally be delivered at 120/240 volts using three wire, single phase service and limited to 200 Amps at 240 volts. In some areas service may be 120/208 volts.

DELIVERY SERVICE CHARGES - MONTHLY

Customer Charge@	\$1.87 per meter
Distribution Charge:	-
All kWh@	1.714 ¢ per kWh
Transition Charge	
All kWh@	1.049 ¢ per kWh
Internal Transmission Charge:	. 2
All kWh@	0.192 ¢ per kWh
All kWh@	. ~

LOW INCOME RESIDENTIAL DELIVERY SERVICE

SCHEDULE RD-2 (continued)

MINIMUM CHARGE

The minimum charge shall be the Customer Charge.

ADJUSTMENTS

The Delivery Service Charges under this Schedule shall be adjusted from time to time to reflect the following:

Seabrook Amortization Surcharge - Schedule SAS, M.D.T.E. No. 32

Energy Efficiency Charge - Schedule EEC, M.D.T.E. No. 96

Internal Transmission Service Cost Adjustment - Schedule ITSCA, M.D.T.E. No. 34

External Transmission Charge - Schedule ETC, M.D.T.E. No. 97

Transition Cost Adjustment - Schedule TCA, M.D.T.E. No. 98

Renewable Resource Charge - Schedule RRC, M.D.T.E. No. 37

Default Service Adjustment - Schedule DSA, M.D.T.E. No. 101

Pension/PBOP Adjustment Factor – Schedule PAF, M.D.T.E. No. 112A

For billing purposes, the Seabrook Amortization Surcharge and the Pension/PBOP Adjustment Factor will be included in the Distribution Charge. The Internal Transmission Service Cost Adjustment and External Transmission Charge will be added to the Internal Transmission Charge and billed as the Transmission Charge. The Transition Cost Adjustment and the Default Service Adjustment will be included in the Transition Charge. The Energy Efficiency and Renewable Resource Charges will each be included as separate items on the bill.

PAYMENT

Bills are net and due upon presentation.

FARM CREDIT

Customers who qualify as persons or corporations engaged in the business of agriculture or farming, as defined pursuant to section 1A of Chapter 128 of the General Laws, shall receive a credit of ten percent from the otherwise applicable rates. The credit shall be based on full Delivery Service rates plus the Standard Offer Service or Default Service rate, if applicable. The credit will be recalculated as required to maintain the ten percent discount from these rates as in effect from time to time.

LOW INCOME RESIDENTIAL DELIVERY SERVICE

SCHEDULE RD-2 (continued)

TERM OF CONTRACT

The term of contract under this Schedule shall be for an initial period of at least one year, and shall continue in effect thereafter until canceled by either party upon at least 30 days written notice.

TERMS AND CONDITIONS

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this Schedule.

GENERAL DELIVERY SERVICE

SCHEDULE GD

AVAILABILITY

Service is available under this Schedule at single locations to Commercial and Industrial customers where the Company delivers electricity for the exclusive use of the customer and not for resale. This Schedule is for delivery service only. Customers are required to obtain an energy supply from a Competitive Supplier or may be eligible for Standard Offer Service or Default Service from the Company pursuant to Schedules SOS or DS as amended from time to time.

CHARACTER OF SERVICE

Continuous, 60 hertz, alternating current, single-phase or three-phase service at various voltage levels with the Customer's connected phase requirements and delivery voltage to be designated by the Company.

DELIVERY SERVICE CHARGES - MONTHLY

GD-1 Small General Delivery Service: for all customers with non-residential loads consistently under four (4) kilowatts and energy consumption less than eight hundred fifty (850) kilowatt-hours per month:

Customer Charge@	\$6.83 per meter
Distribution Charge:	-
All kWh@	4.248 ¢ per kWh
Transition Charge:	
All kWh	1.049 ¢ per kWh
Internal Transmission Charge:	, -
All kWh	0.189 ¢ per kWh

GENERAL DELIVERY SERVICE

SCHEDULE GD (Continued)

GD-2 Regular General Delivery Service: for commercial Customers with demands, excluding space heating and water heating loads eligible under the G-5 rate, consistently greater than or equal to four (4) kilowatts or energy consumption consistently greater than or equal to eight hundred fifty (850) kilowatt-hours per month and generally less than one hundred twenty thousand (120,000) kilowatt-hours per month:

Customer Charge@	\$6.83 per meter
Distribution Charge:	_
All kW@	\$5.94 per kW
All kWh@	1.419 ¢ per kWh
Transition Charge:	•
All kW@	\$2.74 per kW
All kWh@	_
Internal Transmission Charge:	· •
All kW@	\$0.29 per kW
All kWh@	
All kW@	

GD-3 Large General Delivery Service: for any industrial or large commercial Customer, not participating in special contract rates with energy consumption generally greater than or equal to one hundred twenty thousand (120,000) kilowatt-hours per month:

Customer Charge
Distribution Charge:
All kVA
All kWh - On Peak Hours@ 1.225 ¢ per kWh
All kWh - Off Peak Hours
Transition Charge:
All kVA
All kWh - On Peak Hours
All kWh - Off Peak Hours
Internal Transmission Charge:
All kVA
All kWh - On Peak Hours
All kWh - Off Peak Hours

GENERAL DELIVERY SERVICE

SCHEDULE GD (Continued)

For the purpose of billing under the GD-3 rate, "On-Peak" is defined to be between the hours of 7:00 A.M. and 10:00 P.M. (local time) for all non-holiday weekdays, Monday through Friday. "Off-Peak" is defined to be between the hours of 10:00 P.M. and 7:00 A.M. (local time) during non-holiday weekdays and all-day for weekends, Saturday and Sunday, and all-day for official Federal and Massachusetts holidays that occur on a weekday.

<u>GD-4 Optional General Delivery Time-Of-Use</u>: shall be available as an option to each customer billed at the GD-2 Regular General Service Delivery Rate.

Customer Charge
Distribution Charge:
All kW - On Peak Hours
All kW - Off Peak Hours
All kWh - On Peak Hours@ 0.671 ¢ per kWh
All kWh - Off Peak Hours
Transition Charge:
All kW - On Peak Hours
All kW - Off Peak Hours@ \$0.00 per kW
All kWh - On Peak Hours
All kWh - Off Peak Hours@ 0.000 ¢ per kWh
Internal Transmission Charge:
All kW - On Peak Hours
All kW - Off Peak Hours@ \$0.00 per kW
All kWh - On Peak Hours
All kWh - Off Peak Hours@ 0.022 ¢ per kWh
• · · · · · · · · · · · · · · · · · · ·

For the purpose of billing under the GD-4 rate, On-Peak and Off-Peak periods will be the same as those defined under the GD-3 service.

GENERAL DELIVERY SERVICE

SCHEDULE GD (Continued)

GD-5 Water And/Or Space Heating Delivery Rider: This provision is restricted to Customers presently served on this rate or having a building permit as of May 1, 1985. If a Customer has installed and in regular operation throughout the entire year a Company approved electric water heater which supplies the Customer's entire water heating requirements and/or a Customer has permanently installed electric space heating equipment for five (5) kilowatts or more, the Customer may elect to have this service metered separately and billed as follows:

Customer Charge@	\$0.00 per meter
Distribution Charge:	•
All kWh@	3.709 ¢ per kWh
Transition Charge:	, 2
All kWh@	1.049 ¢ per kWh
Internal Transmission Charge:	, .
All kWh@	0.182 ¢ per kWh

When this option is requested, it shall apply for at least 12 months. Space heating Customers shall be subject to a separate minimum charge of \$8.00 per year per kilowatt of installed space heating capacity. This provision applies for both electric heating and electric cooling where the two services are combined by the manufacturer in a single self-contained unit.

DETERMINATION OF DEMAND

For the purpose of billing under the GD-1 Small General Delivery Service Rate and GD-5 Water And/Or Space Heating Delivery Rider, no demand charges will be rendered. The Company, however, reserves the right, at any time, to monitor each GD-1 Customer's load using appropriate metering equipment. When it is determined that a GD-1 Customer's load consistently equals or exceeds 4 kW or its energy consumption equals or exceeds 850 kWh, the Company shall, at its discretion, render bills based on the GD-2 Regular General Delivery Service Rate or the GD-4 Optional Commercial Delivery Time-Of-Use Rate.

For the purpose of demand billing under the GD-2 Regular General Delivery Service rate and the GD-4 Optional Time-Of-Use rate, demands shall be measured as the highest 15-minute integrated kilowatt (kW) load determined during the month for which the charge is rendered, but not less than any specified minimum available contract capacity, if applicable.

GENERAL DELIVERY SERVICE

SCHEDULE GD (Continued)

The billing demand measured under the GD-2 and GD-4 rates shall be taken in 0.5 kW intervals, and those demands falling between any half kW interval shall be billed at the next lower 0.5 kW increment.

For the purpose of demand billing under the GD-3 Large General Delivery Service rate, demands shall be measured as the highest 15-minute integrated kilovolt-ampere (kVA) load determined during the On-Peak period of the month for which the charge is rendered, but not less than any specified minimum available contract capacity if applicable.

The billing demand measured under the GD-3 rate shall be taken in 0.5 kVA intervals and those demands falling between any half kVA interval shall be billed at the next lower 0.5 kVA increment.

MINIMUM CHARGE

The Minimum Charge per month, except as may be increased by line extension surcharges or guaranteed temporary service connections, shall be no less than the Customer Charge for each type of delivery service installed. For GD-3 Customers, there may be an additional minimum capacity charge based upon the service contract for that Customer.

METERING

The Company may at its option meter at the Customer's utilization voltage or on the high voltage side of the transformer through which service is furnished.

In the latter case or if the Customer's utilization voltage requires no transformation, and if the Company meters service at 4160 volts or higher, a compensating deduction of 3% will be made from the metered kilowatt (or kilovolt-ampere) demand and kilowatt-hour usage to determine billing amounts.

CREDIT FOR TRANSFORMER OWNERSHIP

GD-3 customers are responsible for their own transformation, but may rent such transformation from the Company at the Company's discretion. For all other General Delivery Service Customers, if the Customer furnishes all transformers required so that the Company is not required to furnish any transformers, there will be credited against the amount determined under the Distribution Charge 12 cents for each kilowatt of demand for such month.

GENERAL DELIVERY SERVICE

SCHEDULE GD (Continued)

FARM CREDIT

Customers who qualify as persons or corporations engaged in the business of agriculture or farming, as defined pursuant to section 1A of Chapter 128 of the General Laws, shall receive a credit of ten percent from the otherwise applicable rates. The credit shall be based on full Delivery Service rates plus the Standard Offer Service or Default Service rate, if applicable. The credit will be recalculated as required to maintain the ten percent discount from these rates as in effect from time to time.

TERM OF CONTRACT

The term of contract under this Schedule shall be for an initial period of at least one year, and shall continue in effect thereafter until cancelled by either party upon at least 30 days' written notice. The Company may require longer initial and renewal contract terms whenever, in its opinion, the estimated annual revenue is insufficient to warrant the Company making the necessary commitments to render service.

<u>ADJUSTMENTS</u>

The Delivery Service Charges under this Schedule shall be adjusted from time to time to reflect the following:

Seabrook Amortization Surcharge - Schedule SAS, M.D.T.E. No. 32

Energy Efficiency Charge - Schedule EEC, M.D.T.E. No. 96

Internal Transmission Service Cost Adjustment - Schedule ITSCA, M.D.T.E. No. 34

External Transmission Charge - Schedule ETC, M.D.T.E. No. 97

Transition Cost Adjustment - Schedule TCA, M.D.T.E. No. 98

Renewable Resource Charge - Schedule RCC, M.D.T.E. No. 37

Default Service Adjustment - Schedule DSA, M.D.T.E. No. 101

Pension/PBOP Adjustment Factor – Schedule PAF, M.D.T.E. No. 112A

For billing purposes, the Seabrook Amortization Surcharge and the Pension/PBOP Adjustment Factor will be included in the Distribution Charge. The Internal Transmission Service Cost Adjustment and External Transmission Charge will be added to the Internal

GENERAL DELIVERY SERVICE

SCHEDULE GD (Continued)

Transmission Charge and billed as the Transmission Charge. The Transition Cost Adjustment and the Default Service Adjustment will be included in the Transition Charge. The Energy Efficiency and Renewable Resource Charges will each be included as separate items on the bill.

TERMS OF PAYMENT

The Charges for service under this Schedule are net, billed monthly and payable upon presentation of bill. Interest charges will be added from the date of the original bill if current charges for electricity are not paid and received by the Company or its agents within twenty-five (25) days. Interest charges shall be calculated at an annual rate of interest which is the equivalent of the rate paid on two-year United States Treasury notes for the preceding 12 months ending December 31 of any year, plus 10 percent, <u>i.e.</u> 1000 basis points, in accordance with 220 CMR 26.00. The monthly interest charge is also added to accounts until all arrears have been paid.

GUARANTEE

When the estimated expenditure necessary to supply electrical energy properly to a Customer's premises shall be of such an amount that the income to be derived from the sale of such energy at the rates herein established, including the monthly minimum charge, will be insufficient to warrant such expenditure, the Company may require the Customer to guarantee a minimum annual payment for a term of years and/or to pay the whole or a part of the cost of extending, enlarging or rebuilding its facilities to supply the Customer's premises or other reasonable payments in addition to the payments otherwise provided herein.

TERMS AND CONDITIONS

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this Schedule.

OUTDOOR LIGHTING DELIVERY SERVICE

SCHEDULE SD

AVAILABILITY

This Schedule is available to all Customers for outdoor lighting delivery service with the Company's standard lighting fixtures mounted on existing poles, except as otherwise provided herein. This Schedule is for delivery service only. Customers are required to obtain an energy supply from a Competitive Supplier or may be eligible for Standard Offer Service or Default Service from the Company pursuant to Schedules SOS or DS as amended from time to time.

CHARACTER OF SERVICE

All lighting shall be photoelectrically controlled and supplied from multiple circuits. The Company will furnish and maintain the equipment hereinafter described, and shall supply service at which the lamps are designed to operate.

DELIVERY SERVICE CHARGES - MONTHLY

The monthly charges for Outdoor Lighting Delivery Service will include the kWh Charges plus the Luminaire Charges for the applicable luminaire as listed below.

Distribution Charge:		
All kWh		0.057 ¢ per kWh
Transition Charge:	O	
All kWh		1.049 ¢ per kWh
Internal Transmission Charge:	Ü	
All kWh	@	0.000 ¢ per kWh

OUTDOOR LIGHTING DELIVERY SERVICE

SCHEDULE SD (Continued)

(A) Mercury Vapor Lighting Equipment*

Lamp Size Nominal		P	rice Per Lumina Per Month	ire
Lumens		Internal		
(Approx.)	Type of Luminaire	<u>Transmission</u>]	<u>Distribution</u> Trai	nsition Charge
3,500	(MV) Residential and Commercial Type	e \$0.23	\$6.48	\$0.00
7,000	(MV) Residential and Commercial Type	e \$0.27	\$7.19	\$0.00
3,500	(MV) Street and Highway Type	\$0.23	\$6.48	\$0.00
7,000	(MV) Street and Highway Type	\$0.27	\$7.19	\$0.00
20,000	(MV) Street and Highway Type	\$0.52	\$13.05	\$0.00
60,000	(MV) Street and Highway Type	\$1.02	\$24.93	\$0.00
20,000	(MV) Flood Light Type	\$0.56	\$14.42	\$0.00
3,500	(MV) Power Bracket Included	\$0.24	\$6.79	\$0.00
7,000	(MV) Power Bracket Included	\$0.29	\$7.65	\$0.00

^{*} Mercury Vapor Lighting is not available for new lighting installations, effective January 1, 1991.

(B) <u>High Pressure Sodium Lighting Equipment</u>

Lamp Size		P	Price Per Luminaire		
Nominal	Per Month			1	
Lumens		Internal			
(Approx.)	Type of Luminaire	Transmission	Distribution	Transition	
Charge					
3,300	(HPS) Residential and Commercial Typ	e \$0.20	\$5.62	\$0.00	
9,500	(HPS) Residential and Commercial Typ	e \$0.24	\$6.69	\$0.00	
3,300	(HPS) Street and Highway Type	\$0.20	\$5.62	\$0.00	
9,500	(HPS) Street and Highway Type	\$0.24	\$6.69	\$0.00	
20,000	(HPS) Street and Highway Type	\$0.39	\$9.96	\$0.00	
50,000	(HPS) Street and Highway Type	\$0.56	\$14.16	\$0.00	
140,000	(HPS) Street and Highway Type	\$1.18	\$29.04	\$0.00	
50,000	(HPS) Flood Light Type	\$0.64	\$16.43	\$0.00	

OUTDOOR LIGHTING DELIVERY SERVICE

SCHEDULE SD (Continued)

(C) <u>Ornamental Lighting Equipment</u> (Customer assumes all initial installation expenses inclusive of materials).

Lamp Size		Price Per Luminaire		
Nominal	Per Month			
Lumens		Internal		
(Approx.)	Type of Luminaire	Transmission Distribution Transition Charge		
3,300	Street and Highway Type	\$0.16 \$4.51 \$0.00		

Note: High pressure sodium lights designated by the above types are also available for use on private property subject to the provisions contained under "Special Provisions" hereof.

OTHER EQUIPMENT

Lighting fixtures other than those specified herein will be provided only at prices and for a term of contract to be mutually agreed upon.

TERM OF CONTRACT

Service under this Schedule shall be for an initial period of one year with automatic one year extensions thereafter until canceled by either party giving the other notice in writing at least 30 days prior to the expiration of any contract year. The Company may require longer initial and renewal contract terms whenever, in its opinion, the estimated annual revenue is insufficient to warrant the Company making the necessary commitments to render service.

BILLS AND PAYMENT

Bills are net and due upon presentation.

FARM CREDIT

Customers who qualify as persons or corporations engaged in the business of agriculture or farming, as defined pursuant to section 1A of Chapter 128 of the General Laws, shall receive a credit of ten percent from the otherwise applicable rates. The credit shall be based on full Delivery Service rates plus the Standard Offer Service or Default Service rate, if applicable. The credit will be recalculated as required to maintain the ten percent discount from these rates as in effect from time to time.

OUTDOOR LIGHTING DELIVERY SERVICE

SCHEDULE SD (Continued)

SPECIAL PROVISIONS

(a) Hours of Operation

Approximate hours of operation will be from one-half hour after sunset to one-half hour before sunrise. The total burning hours shall not exceed 4,100 hours per year.

(b) Lamp Replacement

The Company shall replace defective lamps as promptly as possible during regular working hours, after having been advised of the need of such replacement by the Customer.

(c) Change of Location

The Company will, at the expense of the Customer, change the location of such fixtures as the Customer may order.

(d) Change of Fixture

The Company will change the type of lighting fixture at the Customer's request, during regular working hours, but may require the customer to reimburse the Company for the depreciated cost of the retired equipment including installation and cost of removal, less any salvage value thereon.

(e) Permits

The Customer shall provide, without cost to the Company, all permits, consents, or easements necessary for the erection, maintenance and operation of the Company's facilities, including the right to cut and trim trees where necessary

(f) Limitation of Service

The Company reserves the right to restrict installations served under this schedule to those which will yield a reasonable return to the Company and to areas easily accessible by service truck.

(g) Additional Equipment

Lighting installations requiring new poles and overhead conductors, or lighting units mounted on ornamental standards connected to an underground distribution circuit will be available only when the Customer signs an agreement under which Customer agrees to pay each

OUTDOOR LIGHTING DELIVERY SERVICE

SCHEDULE SD (Continued)

month an additional charge of 2.4% of the excess cost of the facilities. Such an agreement shall have a minimum term of ten (10) years whenever more than four (4) luminaires are so installed.

Excess cost is defined as being the cost in excess of that which would have been incurred had the lights been mounted on existing poles.

(h) Failure of Lights to Burn

If any lights fail to burn the full period herein provided, then upon request, a deduction will be made from the monthly price for such lights provided they are not burning within 72 hours from the time the Company is notified of the outage.

The deduction shall be the monthly Delivery Service Charges multiplied by the ratio that the period of such outage bears to the total monthly burning time as herein indicated.

This deduction shall not apply in case the failure of the lights to burn is due to the act of any public authority or to malicious breakage; provided, however, that in the latter case the necessary repairs are made with reasonable dispatch.

ADJUSTMENTS

The Delivery Service Charges under this rate shall be adjusted from time to time to reflect the following:

Seabrook Amortization Surcharge - Schedule SAS, M.D.T.E. No. 32

Energy Efficiency Charge - Schedule EEC, M.D.T.E. No. 96

Internal Transmission Service Cost Adjustment - Schedule ITSCA, M.D.T.E. No. 34

External Transmission Charge - Schedule ETC, M.D.T.E. No. 97

Transition Cost Adjustment - Schedule TCA, M.D.T.E. No. 98

Renewable Resource Charge - Schedule RRC, M.D.T.E. No. 37

Default Service Adjustment - Schedule DSA, M.D.T.E. No. 101

Pension/PBOP Adjustment Factor - Schedule PAF, M.D.T.E. No. 112A

For billing purposes, the Seabrook Amortization Surcharge and the Pension/PBOP Adjustment Factor will be included in the Distribution Charge. The Internal Transmission Service Cost Adjustment and External Transmission Charge will be added to the Internal Transmission Charge and billed as the Transmission Charge. The Transition Cost Adjustment

OUTDOOR LIGHTING DELIVERY SERVICE

SCHEDULE SD (Continued)

and the Default Service Adjustment will be included in the Transition Charge. The Energy Efficiency and Renewable Resource Charges will each be included as separate items on the bill.

TERMS AND CONDITIONS

The Company's Terms and Conditions, in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this Schedule.

Fitchburg Gas and Electric Light Company d/b/a Unitil

Electric Reconciliation Mechanism and Inflation Adjustment Filing

filed with

The Commonwealth of Massachusetts **Department of Telecommunications and Energy**

D.T.E. 04-108

November 24, 2004

Fitchburg Gas and Electric Light Company d/b/a Unitil Electric Reconciliation Mechanism and Inflation Adjustment Filing November 24, 2004

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